



February 1, 2011

Postal Regulatory Commission  
901 New York Avenue NW, Suite 200  
Washington DC 20268-0001

RE: Docket MT2011-3 Market Test for Experimental Product: Marketing Mail Made Easy

Honorable Commissioners:

Consolidated Graphics Group is a marketing communications company who offers printing, mailing, fulfillment and technology services to our customers. We are also a CDS subscriber and a member of The National Association of Advertising Distributors (NAAD).

Although we've handled the occasional mailing that exceeds two million pieces our typical mailings are anywhere from 250 pieces up to 100,000 pieces. Our average mailing is around 25,000 pieces. A large number of our customers are the very small to medium sized establishments that this docket proposes to entice into mailing. These customers already are mailing. Because of the complexity of postal regulations – and the fact that most of these businesses don't have the manpower to devote to mailing preparation – these types of businesses engage the services of companies like us who specialize in printing, mailings lists and mail preparation.

The mailing list is the least significant of expenses. We recently quoted a project for a customer who has multiple locations. The average mailing will be 5000 pieces per location. Printing runs at about \$0.08 per piece. The list is about \$0.005 per piece but added to the cost of addressing the total comes to \$0.035 per piece. Postage – assuming it will always be able to be trucked to a DDU – is \$0.142 (55% of the total budget!). It is not clear from the USPS proposal how this experimental product will make money since it's really not saving the business owners money in the long run. Perhaps they save that whopping \$0.005 per piece (\$25 on a 5,000 piece mailing) but they still need to prepare the mail and this proposal assumes they will want to do this themselves. By the time they label the mail with the simplified address, count out all the pieces, bundle them with facing slips, take them down to the USPS and stand in those very long lines at the BMEU I question how many of them will still think they got a bargain. These businesses are mailing today either through coupon packs (like Val Pak) or through marriage mail or are engaging the services of mailers like us (and mailing under our permit to save the permit expense). This just doesn't strike me as much of an incentive for the small business owners. Additionally, this isn't really bringing new mailers to market in most cases. Instead, this proposal will result in a give-away of lists and dropping permit fees.

Also consider that while the mailing list is the least expensive piece in the above equation it's likely to make a significant impact to the consumer. During the "mail moment", as the USPS likes to call it, consumers will be

tempted by intriguing offers on postcards. The lack of personalization will also make an impression and it won't be favorable. Pieces bearing simplified addresses are the epitome of "junk mail". Consumers will not know how to stop it since their name isn't on it and we believe these consumers will be persuaded more easily to support "Do Not Mail" legislation as a result. "Do Not Mail" is a threat to both the USPS and the mailing industry but the USPS doesn't seem to take the threat seriously. This proposal encourages the proliferation of unaddressed impersonal untargeted mail – the very type of mail that most consumers despise.

Please consider these issues before granting the USPS permission to proceed with this experimental testing program.

Sincerely,

Michelle Hilston  
Director of Postal Affairs  
Consolidated Graphics Group  
1614 East 40<sup>th</sup> Street  
Cleveland, OH 44103  
[mhilston@cgginc.com](mailto:mhilston@cgginc.com)